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Senator Offers Plan for Jobs, Health care and Growing the Economy
*Cassis Care & Competitiveness package calls for
phase out of tax penalty on health benefits*

LANSING – To create more jobs and stop layoffs, provide and expand health benefits, and sharpen Michigan’s competitive edge, Sen. Nancy Cassis (R-Nov) today announced a package of bills that would eliminate the state’s tax penalty on employer-funded health insurance.

Cassis said these bills are especially important and long-overdue in order to make Michigan more competitive, stem the loss of jobs, and address the crisis in healthcare.

“Michigan is one of only two states that impose a tax penalty on employers who supply health benefits to their workers,” Cassis said, noting that Washington is the other. “We ought to be encouraging businesses to fund health care packages for workers, not discouraging them with a capricious and arbitrary tax.”

Charlene Long, managing director of the Walled Lake Downtown Development Authority, said she fully supports the legislation.

“Small businesses are the backbone of our economy, anything that can be done to alleviate their financial burden and help them create more jobs and/or provide more health benefits is a plus for everyone,” Long said. “Whether we are in good or bad economic times, we should always be looking for ways to help our business owners to expand and become more competitive, thus continuing to grow our state's economy.”

Cassis argues that eliminating the punitive tax on health benefits will provide the economic incentive for employers to offer increased benefit packages, hire more workers and otherwise expand their businesses.

“(Employees) want top pay and top benefits, but they come at a cost to business owners of less money for advertising, updating equipment, or adding new employees,” said Isaly Szetela, president of Vetestorations in Southfield. Szetela added, “Senator Cassis’ proposed package will be very beneficial.”

Cassis said she will soon announce hearings on this legislation.